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A legislative history of financial incentives in the Reserve Officer Training Corps gives perspective to an analysis of present law and policy concerning breach of contract for Air Force ROTC cadets. The changed environment, criticisms of the present law and policy, and the example of three other Western nations with all volunteer militaries are given to support a need for change. Recoupment of educational subsidies is recommended as the suitable penalty for breach of contract. The legal status of recoupment under present law and contracts is summarized. (Author)

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Air War College

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SUITABLE PENALTY FOR BREACH OF CONTRACT: AFROTC CADETS

PROFESSIONAL STUDY

No. 5401

By Robert D. Reese

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
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MAXWELL AIR FORCE BASE, ALABAMA

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REPORT NO. 5401

SUITABLE PENALTY FOR BREACH OF CONTRACT - AFROTC CADETS

by

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A RESEARCH REPORT SUBMITTED TO THE FACULTY

MAXWELL AIR FORCE BASE, ALABAMA

APRIL 1974

ABSTAINER

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AIR WAR COLLEGE RESEARCH REPORT SUMMARY

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CHAPTER I

INTRODUCTION

This study will examine the adequacy of current law and policy concerning breach of contract for Air Force Reserve Officer Training Corp (AFROTC) cadets. Without the draft, a major change to the environment has occured while the law and policy have remained the same.

The military services have considered changes to the existing law and policy in at least two major areas.[1] Recoupment of educational subsidies from those cadets who breach their contract is one proposal. A change to the policy on involuntary call to active duty in enlisted grade is the other. These two proposals are the central issues of this study.

In Chapter II the law and policy are detailed both as they evolved and as they are now practiced. Chapter III contains criticisms of the present practice based on data taken from AFROTC files. In Chapter IV, there is a comparison of the practices and experiences of three other Western nations with all volunteer militaries. Current legal cases and opinions that bear on the issues are discussed in Chapter V before giving conclusions and recommendations in Chapter VI.

The author is experienced in the administration of AFROTC contracts. His last assignment was as Professor of Aerospace Studies at the University of Minnesota Duluth from 1970 to 1973.

CHAPTER II

PRESENT LAW AND POLICY

In order to gain perspective it is useful to review the legislative evolution of the AFROTC program emphasizing legislation which authorized benefits to ROTC members and provided penalties for breach of contract.

The growth and development of ROTC through legislation closely parallels the incidence of major threats to the nations' security. The first need was perceived as a result of the North's experience at the beginning of the Civil War. In part due to a shortage of trained officers, the Union armies suffered staggering losses on the battlefields in the early days of the war. To correct this problem, the proponents of military training in the Congress passed "The Morrill Act" or "Land Grant College Act" of 1862.[1] Under this act, colleges and universities received large grants of public land in return for including two years of military training in their curriculum. There was no obligated service required of participants nor was there any financial compensation.

The next major legislation affecting the ROTC program was "The National Defense Act of 1916" which established the Reserve Officer Training Corp (ROTC) along with other measures as the nation reacted to the war in Europe. The act authorized pay to cadets in the final two years of the ROTC program.[2] Pay was to be the regular Army subsistance pay as determined by the Secretary of War.

The first scholarship legislation was passed by Congress in 1946 following World War II. This act, called the "Holloway Plan" payed tuition, fees, books, laboratory expenses, and $600 per year to participating Naval and Marine officer candidates.[3] The Army and Air Force would wait nearly twenty years, until 1964, before beginning a scholarship program.

Under the "Holloway Plan," graduates were commissioned as regular officers and had a six year commitment to retain a commission in either the regular or reserve forces. Four years of this service had to be active duty. There was no stated penalty for failure to complete the program or refusal of a commission, although candidates did agree in writing to accept a commission if offered. In 1964 this plan was producing about one thousand officers.[4]

Before 1964, there was no penalty in any of the services' ROTC programs for failure to complete the program or refusing to accept a commission. Up to this time, only the Navy had a scholarship program. The Army and Air Force had continued to pay subsistance pay to advanced course (final two years) ROTC students. This amounted to $27 per month in 1964.[5]

In 1964 with the Cuban Missile Crisis still in the public's mind, Congress became concerned and found that "The most serious inadequacy of the existing ROTC program is its inability to attract and to retain adequate numbers of students in the advanced ROTC course." As a result, they passed the "Reserve Officers Training Corp Vitalization Act of 1964" which gave the Army and the Air Force essentially what the Navy had successfully operated for eighteen years.[6] It provided scholarship assistance to students in the four year ROTC program and, in addition, created the two year ROTC program to accommodate students who transferred from junior colleges to colleges and universities hosting an ROTC program. Scholarships included the payment of tuition, books, laboratory fees and a "retainer pay" of $50 per month for ten months of each academic year. In order to be eligible, students had to enlist in the Reserve and agree to

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perform active duty as enlisted members if they failed to complete the course satisfactorily or if they refused to accept a commission when offered. The act also required non-scholarship members in the final two years of the ROTC program to enlist in the Reserve and be subject to call to active duty in enlisted grade if they failed to complete the course of instruction or refused to accept a commission. Scholarship students could be called to active duty in enlisted grade for up to four years. Non-scholarship students could be called for up to two years.

Since 1964, the number of scholarships has been increased and the amount of subsistance pay for all categories of contract cadets has been increased. The 1964 legislation authorized a maximum number of four thousand scholarships for the Army and Air Force to be in effect until 1968 at which time the numbers increased to 5500. The Navy was allowed to increase to 5500 in 1965 because of its existing program (Holloway Plan). In 1971 the maximum number of scholarships for the Army and Air Force was increased to 6500 and the Navy to six thousand.[7] Subsistance pay for scholarship students and non-scholarship, advanced ROTC students was increased to $100 per month.[8] This is the legislative status of ROTC today.

ROTC legislation is implemented by Department of Defense Directives and military service regulations and manuals. The Department of Defense gives specific guidance to the Military Departments concerning "Ordering Student Contract Violators to Active Duty in Their Enlisted Grades":

> The Military Departments will delay ordering contract violators to active duty until they would normally complete their degree requirements or disenroll from the institution, whichever occurs first. Two (2) years active enlisted service will be required of scholarship and non-scholarship students who default during their junior or senior years. Scholarship students who complete the four (4) year course but refuse to accept their commissions will be ordered to enlisted active duty for four (4) years. Scholarship students who default during their freshman or sophomore years will not incur an active enlisted commitment.[9]

As a prerequisite for membership in the scholarship program or the final two years of the non-scholarship program, the student signs a "Statement of Understanding" which includes the following wording:

> I may be ordered to active duty in my enlisted grade for a period of (_____) if I am discontinued from AFROTC Professional Officer Course membership for any of the following reasons:
> (1) Indifference to training.
> (2) Disciplinary reasons.
> (3) Breach or anticipatory breach of the terms of the category agreement.
> (4) Declining to accept a commission.[10]

The number of years that the student is liable to be called to active duty is contained in a legend at the bottom of the "Statement of Understanding." It matches the information given above in the Department of Defense Directive.

This concludes coverage of the essential aspects of the present law and policy concerning breach of contract of AFROTC cadets. In retrospect it can be seen that we have usually gotten new ROTC legislation immediately following threats to our national security and that each new piece of legislation has sought to make the program more attractive to potential members through an increase in financial incentives. Prior to 1964, there was no penalty for failure to complete the course of instruction or refusal of a commission when offered. Since that time, the policy implementing the 1964 legislation has become fixed and specific. To date, there is no legislation or directives which mention recoupment of educational subsidies from AFROTC students.

CHAPTER III

CRITICISMS OF THE PRESENT LAW AND POLICY

The Department of Defense Policy on involuntary call to active duty in enlisted grade is inequitable in many instances. As noted in Chapter II, the present legislation permits the Services to call scholarship contract violators to active duty in enlisted grade at any point in the scholarship program for up to four years. Department of Defense policy is to not call contract violators to active duty if they breach their contract in the first two years of the four year program. Non-scholarship students who breach their contract may be called for two years at any point during their two year contract period. Implementing this policy with scholarship and non-scholarship students can produce some very marked inequities as shown in these examples:

Example Number One:

Four Year Scholarship Student:

Attends college for two full academic years then breaches AFROTC contract.

Cost to the government of tuition, books, laboratory fees and subsistance pay = $4400 [1]

Example Number Two:

Four Year Non-Scholarship Student:

Attends college for two academic years at his own expense while enrolled in AFROTC but not under

contract. Contracts with the Air Force at the beginning of his third year and then breaches his contract one month later.

Cost to the government in subsistence pay = $100

In these examples the four year non-scholarship student who had been under contract for one month and had received only $100 in pay could be called to active duty for two years. The four year scholarship student who was under contract for two years and received $4400 cannot be called to active duty.

In addition to the seeming unfairness inherent in the present policy, there is some evidence that it is inviting abuse. Table 1 is a summary of AFROTC disenrollments for school years 1972 and 1973. It shows that the number of students in the first two years of the four year scholarship program who could be termed willfully evading the contract more than doubled between those two years - 31 in 1972 to 72 in 1973. Disenrollments for breach of contract, anticipatory breach of contract, and indifference are considered to be in this category.

A possible explanation for this increase in willful evaders is that the policy of not calling evaders during the first two years was not generally known by the AFROTC students until academic year 1973. The policy was formalized by the DOD Directive of

TABLE 1.

SUMMARY OF SCHOLARSHIP TERMINATIONS

Reason	1972		1973	
	GMC*	POC*	GMC*	POC*
Without Discredit	29	12	32	13
Medical	13	69	4	62
Academics	45	7	74	13
Individual Request, Justifiable Reason	30	10	19	18
Breach	15	5	35	2
Anticipatory Breach	9	0	24	5
Indifference	7	1	13	2
Undesirable Traits	5	7	3	11
Inaptitude	3	4	1	0
Disciplinary	0	0	2	0

*Note: GMC is for General Military Course which is the first two years of the four year AFROTC program. POC is for Professional Officer Course; the last two years.

June 1971 but it was not generally known by the students until academic year 1973. During 1973, Air Force Regulations[2] and the students' contract[3] were revised to reflect the policy and an article on the subject appeared in the Air Force Times magazine[4] which most AFROTC units receive.

The present law and policy lacks flexibility. There are not enough graduations in its application to fit the varying circumstances that arise. A non-scholarship student who has been under contract one month and has received $100 in benefits would receive the same involuntary active duty as a scholarship student who has been under contract for three and one half years and who had received $7500.* In other words, there is no graduated vesting of commitment based on amounts received. The transitions are very abrupt in both the scholarship and non-scholarship program. The DOD policy has effectively provided one penalty for all who are found to have breached their contract. Calling to active duty those who refuse a commission for four years is an exception but it rarely occurs. There has been only one instance of a refused commission during the past two academic years as compared to eighty students involuntarily called for two years. Table 2 is a breakdown of 215 AFROTC students who were called to active duty in enlisted grade from 1967 through 1973.

The limitations on flexibility cited so far are a result of the DOD policy rather than the existing legislation. The law allows for

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* Based on one month's subsistance pay for the non-scholarship and three and one half years of average benefits for the scholarship student.

TABLE 2.

STUDENTS CALLED TO ACTIVE DUTY IN ENLISTED GRADE BY ACADEMIC YEAR

Academic Year	Scholarship	Non-Scholarship
1967	3	6
1968	5	7
1969	19	11
1970	7	38
1971	26	12
1972	16	41
1973	17	7

involuntary call to active duty for "not more than four years" in the scholarship program and "not more than two years" in the non-scholarship program. The wording clearly authorizes the Service Secretaries to set policy within the maximums cited. The Services could, for instance, have a policy of making the length of involuntary active service correspond to the time an individual had been receiving benefits.

The major limitation of the present law and policy is the absence of options short of involuntary call to active duty. As a result of a finding of breach of contract a student can be "not recommended" for further officer training in any branch of the armed forces,[5] but the practical effect of this action as a penalty

is questionable. In the author's experience, students who progressed to the point of breaching their contract have no interest in further officer training at any future date. The lack of suitable options is most apparent with breaches of contract during the first two years of the four year scholarship program. Under present policy, the only penalty available is the finding of "not recommended" for further officer training.

On the other hand, there is a good reason for providing a period during the first part of the four scholarship program when the student can disenroll without being involuntarily called to active duty. The reason for such a grace period is that, of necessity, the student begins the program without a comprehensive knowledge of the Air Force and what will really be expected of him. One of the objectives of the AFROTC program is to familiarize the student with service life and the duties he might encounter. So there should be a reasonable interval during which the student can ascertain that he has made a mistake and have some honorable means for disenrolling. A simple payback of scholarship benefits received could provide equity in such cases.

CHAPTER IV

WHAT OTHER COUNTRIES DO

Canada, Great Britain and Australia have commissioning programs similar to the AFROTC program. Each country's program will be briefly described separately, followed by a short summary of their experience with contract enforcement.

Canada.[1] The Canadian commissioning program most like AFROTC is called the Regular Officer Training Plan. The training is carried out at the three Canadian military colleges and at selected Canadian universities and affiliated colleges. Students are "enrolled" as officer cadets and are normally subsidized for four years while attaining their degree. Tuition and all other essential expenses are paid and cadets receive pay.

Cadets may voluntarily withdraw from the program or request full time military service. If the cadet applies for release between 15 November and the end of the first academic year, the release may be approved without incurring a financial obligation. Otherwise, he must reimburse the government for his training. Once he has qualified for commissioning during the senior year, he must either serve the required active duty or pay the full amount

of his training expenses. Those who cannot qualify for a commission are allowed to pay after their release and have up to six years to pay the sum owed. Five percent annual interest is charged on the unpaid balance until completed.

There is one other elective. A cadet who voluntarily withdraws after the first year, but before he qualifies for a commission in the fourth year, can work off his financial obligation on regular active duty as an officer cadet at the rate of $10 per day until the debt is paid.

Great Britain.[2] The British commissioning program most like AFROTC is called the Graduate Entry Scheme where participants are commissioned as acting officers at the start of the program but are called "University Cadets." They attend the universities of their choice for three to four years. Tuition fees are paid and they receive a small salary. If they withdraw from the program or fail to serve the required active duty, they must refund the costs of their education to the Royal Air Force. Installment payments are arranged for those who cannot pay immediately.

Australia.[3] The Australian commissioning program most like AFROTC is the University and Technical College Undergraduate Scheme. It closely resembles the British Graduate

Entry Scheme. Participants are granted temporary commissions and sponsored for three years or less to complete degrees in medicine, engineering, or science. Sponsorship includes tuition and pay equal to cadets at the Royal Australian Air Force Academy. Students agree to serve on active duty for a period equal to their sponsored training plus one year. Resignations are normally not accepted where obligations exist. When requests for resignations are granted, the student may be required to repay the total training expense.

In summary, all three countries provide scholarship programs and, in most cases, require that participants repay their financial assistance if they withdraw from the program. All expect a proportional repayment of educational subsidy if officers fail to complete all of their active duty commitment. In addition, all three countries consider recoupment to be sufficient penalty to enforce their contracts. Although the data furnished by the respective military departments varies considerably in detail, it does indicate a successful experience.

The British have done particularly well with recoupment.[4] Only a total of thirty-one students have withdrawn from their program at their own request in the past three years (1970-1973),

or about ten per year. It is interesting to note that only three of those thirty-one had their debts waived. Unfortunately, comparative disenrollment percentages between the countries are not available.

Canada too is pleased with its system.[5] They report that:

> It serves our requirement and at minimal cost to the taxpayer. Most importantly, the individual sees the system as fair and honest - a most important first impression on entering a profession.

As indicated previously, Canada allows participants to disenroll without penalty during the first year of training. They report losing "approximately thirty percent of the intake" during the first year for all reasons. This figure includes academic, medical, military training failure and other reasons. After the first year they lose an additional fifteen percent before graduation. Some of these "pay their way out" but "the majority fall to academics."

The Australian Undergraduate Scheme (program most like AFROTC) "has a failure rate of less than two percent and nearly all graduates complete at least the required return of service."[6] Australia is considering the complete elimination of penalties for non-completion of sponsored training. Such a move would be in response to the competition for available manpower resources and the idea that "penalties deter many promising applicants."

All of the data presented in this chapter is contained in correspondence from the military departments of the countries concerned. The actual replies are included as Appendices B, C, and D.

CHAPTER V

LEGAL STATUS OF RECOUPMENT

Public acceptance and legal soundness are essential to any means chosen for enforcing the AFROTC contract. Involuntary call to active duty may not be particularly desirable in the "All Volunteer" era but it is not questioned on a legal basis. On the other hand, recoupment, under present legislation and contracts, is a doubtful procedure. The prevailing opinion appears to be that at least a change to the AFROTC contract is required and that new legislation may be required. A review of the several important cases and opinions bearing on the government's right of recovery is the purpose of this chapter.

All of the legal activity has resulted from cases involving conscientious objectors (COs). But the issue, recoupment of educational subsidies, is essentially the same. A Naval legal officer, Lieutenant William E. Albrecht, wrote an article entitled "Recovery of Government Funded Education Expenses from Naval Officers Who Request Discharge by Reason of Conscientious Objection" which appeared in The JAG Journal, Spring, 1972.[1] The article was the result of a research of the government's right to recover educational subsidies. He concluded that:

> None of the arguments against a right to recover scholarship benefits are sufficiently meritorious to overcome the general rule requiring restitution. The right of recovery is clearest in the case of the NESEP and only slightly less clear in the case of NROTC scholarship program. Recovery of the value of a Naval Academy education presents the most difficulty, but it is reasonable to say that the arguments against recovery are not of sufficient merit to preclude the general obligation to make restitution.*

In reaching this opinion, Albrecht acknowledges that none of the statutes or agreements applicable to the educational programs contain any provisions requiring repayment, but feels its absence does not preclude right of recovery. He bases this right on either of two principles which have their basis in laws of contracts.

After having made a case for recovering educational subsidies under the present law, Albrecht goes on to recommend changes to make certain that future recoupment efforts meet with success:

> Recovery of NROTC scholarship benefits or the value of a Naval Academy education would be best assured by statutory amendment. Whether or not legislative action is practicable, the respective agreements to serve should be revised to specify the terms and conditions of repayment.

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* Lieutenant Albrecht's conclusions were made in terms of Navy programs - NESEP, NROTC and the Naval Academy - but his arguments apply equally well to the Air Force equivalents of these programs. NESEP is the same as the Air Force's Airman Education and Commissioning Program (AECP). Both permit enlisted members to attend college while retaining active duty enlisted grade and pay. Tuition, books and fees are paid by the Air Force. After graduation and completion of Officer Training School, the participants are commissioned.

Even though Albrecht recommended new legislation or regulations, it is important to note that he was able to present a case for recoupment based on contract principles. In other words, recoupment could be an accepted or expected practice.

Two lower court decisions that were particularly supportive for recoupment are:

Brehm vs Seamans (New York, August 18, 1970).[2] In this case Brehm was challenging the Air Force's denial of a conscientious objector (CO) discharge. The Air Force reconsidered Brehm's application and allowed the discharge and Brehm agreed to repay the Air Force $1,994.79 which he had received as an AFROTC scholarship student.

Miller vs Chaffee (Hawaii, March 25, 1971).[3] Another challenge of denial of CO discharge, this time by the Navy. The court found Miller to be a bona fide CO and agreed to order his discharge when he made satisfactory arrangements to reimburse the government for his educational expenses. When Miller failed to make arrangements to pay, the court declined to order his discharge. This case was appealed and decision reversed.[4]

A few months after the reversal in Miller vs Chaffee, the landmark case concerning recoupment was decided in the United

States District Court in California, July 31, 1972: McCullough and Joy vs Seamans.[5] In this case two graduates of the Air Force Academy sought discharges as COs and the Air Force sought to recover the cost of their education if the writs for discharge were issued by the court. The Air Force asked for $53,575 from each of the graduates if they were successful in obtaining their discharge. The discharges were allowed and the Air Force was denied recoupment.

In McCullough vs Seamans, the court noted that, "The Air Force's suit to recover the cost of petitioner's education is unprecedented, either in the statutes, regulations or case law." The Air Force position was that its suit had a strong foundation in common law and contract principles and that the graduates would be unjustly enriched if allowed the discharges without repayment of their educational costs. The court stated that the decision on whether the Air Force should be able to recoup its loss was a matter of fiscal policy and could not be settled by simple contract principles. The issue should be settled by Congress since theirs is the responsibility to "guard the purse." The court went on to say that, "In other cases where the United States has sued to impose new forms of liability, the courts have deferred to Congress." Judge MacBride then cites two Supreme

Court cases involving the same principle which he calls "establishing a new form of liability" and sees a "striking" similarity to McCullough vs Seamans. In both cases the Supreme Court had deferred to Congress.

Since McCullough vs Seamans, the Air Force has not pursued its rights to recoupment in similar cases.

The United States Solicitor General, Erwin N. Griswold, in a letter to the Judge Advocate General for the Air Force on 22 March 1973 recommended against appeal of the decision in McCullough vs Seamans, saying:

> I am sympathetic to the Air Force's position that it should be permitted to recoup the substantial investment it has made in training a man who then declines to perform the active duty which he obligated himself to perform when the Air Force undertook to train him. It seems to me, however, that the appropriate way to handle that problem would be to put the man on notice before he begins his training that if he fails to perform his part of the agreement he may be required to reimburse the military for its expenses. 6

Solicitor General Griswold feels that legislation regulations or a contract provision would suffice to create liability on the part of the student. He points out that the Veterans Administration has a provision of this sort in its contracts with doctors undergoing post graduate training where they agree to liquidated damages if they fail to perform in VA hospitals for the stated time. He

reports that the Court of Appeals for the Seventh Circuit upheld the liquidated damages provision in United States vs Tallat-Kelpna #71-1934, decided February 12, 1973.

There is one Air Force education program with a recoupment clause in the contract. It is the Air Force Health Professions Scholarship Program.[7] This program sponsors health professions participants during their professional training in return for equal amount of active duty in their professions after qualification in their specialties. Participants are commissioned and receive approximately $5000 per year plus tuition, fees, book allowances, and laboratory fees. As a part of their contract they:

> Agree to reimburse the government for all tuition and other educational costs which it incurred or any portion thereof, as determined by the Secretary of the Air Force, if he fails to complete his agreed upon active duty service commitment as a result of action not initiated by the government.[8]

This new program and the reimbursement feature have not been been tested in the courts.

CHAPTER VI

CONCLUSION AND RECOMMENDATIONS

The arguments in favor of recoupment as the sole means of enforcing AFROTC contracts are very persuasive. It is a logical, understandable, and equitable means for settling with those who disenroll from the AFROTC program. The big question is its effectiveness as a deterrent. Will financial liability alone deter attrition or is it necessary to have involuntary call to active duty to assure an acceptable limit to disenrollments? There really are no sure answers forthcoming. The objective means of testing a deterrent is to try it. In the case of recoupment, the overall benefits it promises seem to outweigh the risk. If recoupment alone is not acceptable, then there should be a policy of involuntary active duty proportional to the amount of subsidy received and beginning in the second year of the four year program.

The experience of Canada, Great Britain and Australia with recoupment is enlightening and argues against it being a particularly risky venture. The United States has a lot in common with these three countries. Besides a common language and ancestry, their customs and mores are much alike. All now depend on a

volunteer military. The commissioning programs have a lot in common. All have programs similar to our AFROTC program. The scholarship programs are very much alike. Yet there is an unaccountable difference in the means for enforcing contracts. Canada, Great Britain, and Australia have recoupment as the sole means of enforcing their scholarship contracts while the United States has only involuntary call to active duty.

Cost is another factor that favors recoupment. During academic year 1972-73 there were 325 scholarship disenrollees who had received a total of $440,000 in educational subsidy.[1] Even assuming some categories of disenrollees would not be required to repay and subtracting the cost and losses in collecting, there still promises to be a sizable amount of money recovered. Under the present system of involuntary call to active duty, the only return is in the form of the active duty of those who are called. During academic year 1972-73 there were seventeen scholarship disenrollees called who had received a total of $27,000 in educational subsidies.[2] Even this return is questionable as a true credit. Nearly all (sixteen of seventeen) were called for only two years. Two year enlistees are not as good a training investment as the normal four year enlistee. Compared to the average

enlistee, the former AFROTC student is better educated but probably less motivated. Overall, the Air Force would be ahead with a well motivated volunteer who will serve for at least four years and may reenlist for more. Under these circumstances, involuntary call to active duty becomes not a return but an additional expense.

The logic of recoupment is appealing. AFROTC students and their parents are likely to find it about what they are accustomed to in our free society. They would enter into a contract with the Air Force in which the two parties to the contract are about equal. This is true because there is no longer a draft and students can decline or accept military service--they have a free choice. The AFROTC student would receive educational subsidies in return for satisfactory completion of the AFROTC program and a stated number of years active service. If, at any point, he fails to perform under the terms of the contract, he pays back what he has received. It is a familiar concept and it makes good common sense.

As a familiar contract principle, recoupment enjoys another advantage over involuntary call to active duty. Whereas involuntary call to active duty resembles a judgment and sentencing, recoupment has a much less punitive flavor. It is not unusual for

businessmen to elect to pay the damages stated in a contract rather than fulfill its terms. The damages named in a contract are assumed to adequately protect both parties so that willful breach of contract may not involve guilt or stigma. Such an approach would benefit the AFROTC program in two ways. First, it would help with AFROTC/University relations. Involuntary call to active duty is one of the most unpopular aspects of the AFROTC program among university officials.[3] Recoupment would mean the student would simply incur an educational debt, a nearly normal state of affairs. Also the program would appear less coersive, less restrictive, and not irrevocable. The student could avoid military service at any time. They are not "committed" to the extent that they cannot back out. This should make the program both more attractive and increase morale among participants.

The advantages of recoupment noted so far are simple concepts easiiy demonstrated, but there are others which do not fit this category. These have to do with the prestige and morale of AFROTC students who do not disenroll and of the active duty AFROTC staff. Under the present policy, a student can clearly enjoy two years of scholarship benefits but have no intentions of completing the AFROTC program or the subsequent active duty.

His peers may suspect this along with the active duty staff, but there is no practical action to curtail the abuser's benefits unless or until he breaches the contract. Respect for the program along with the self-respect of its participants is hurt by this type of situation. The majority of students in the AFROTC program do not have scholarships. They should not have to witness the abuse of benefits they would like to have and would make good use of. A closely related aspect of the present policy is its overgenerous appearance. Since it seems so one-sided, no penalty for disenrolling during the first two years and no payback, it may produce suspicion and some contempt. In other words, if one party to the contract (the Air Force) is willing to accept such unequal terms, there may be something suspicious about what they ask in return. A thorough recoupment policy would be a solution where these problems exist.

Recoupment without involuntary call to active duty in enlisted grade is the recommended direction to take. However, should this prove infeasible for some reason, there is another alternative which is preferable to the present policy. A proportional policy on involuntary call to active duty where the period of active duty matches the period educational subsidy has been received would

be a big improvement. As an example, those who had received two years subsidy would be called for two years; those who had received three years benefits would be called for three years; etc. There should not be an involuntary call to active duty penalty during the first year of the four year program. The student needs a reasonable time to access the program and withdraw without a prohibitive penalty. Involuntary active duty proportional to years of educational subsidy would restore some logic and equity to the means of enforcing the AFROTC contract. Under the present policy, there is practically no relation between the number of years involuntary service required and the number of years subsidy that has been received. In other words, the size of the penalty is not proportional to the size of the offense. There is a valuable side effect of a proportional policy. It would tend to discourage students from lingering in the AFROTC program to collect benefits after they had made up their minds to breach the contract. Additional subsidy would result in additional active service.

Implementing a proportional policy on involuntary call to active duty requires only a DOD policy change. Conversely, to have the best chance for success, a recoupment policy should be based on congressional action. Although the government's right to recover educational subsidies even without legislation is

probable, legislation is recommended. Recoupment should meet with favor in the Congress. It is but one more step in the "All Volunteer" era. Involuntary service of any type seems out of keeping with the times.

APPENDIX A

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

MANPOWER AND RESERVE AFFAIRS

18 MAY 1973

MEMORANDUM FOR Brigadier General Tice
Rear Admiral Abbot
Major General Lewis

SUBJECT: ROTC Policies

As a result of the last ROTC Managers' Meeting, we decided to circulate a number of new proposals concerning ROTC. If it is determined that all Services are in agreement concerning these changes, we will initiate the formal action required:

1. Disestablishment Procedure - Paragraph III C., DoD Directive 1215.8 currently prescribes a four-year production average as the criteria for disestablishment. The change would delete this standard and substitute enrollment at the beginning of the third year (i.e. 17 in a four-year program, 12 in a two-year program). This would facilitate disestablishment by reflecting sub-minimum status immediately. Accordingly, the date of disestablishment, although still considering two academic years of enrollment, could be shortened to about 21 or 22 months. Current procedures permit marginal units to linger on for a considerably longer period of time (i.e. three to six years).

2. Reduction of Non-Penalty Withdrawal Period for ROTC Scholarship Students - Paragraph III D. 4., DoD Directive 1215.8 permits the ROTC scholarship student to withdraw from the program without penalty during his freshman or sophomore years. The change would substitute withdrawal without penalty only during the freshman year.

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3. Payback Provision - 10 USC 2105 and 2107(f) prescribe the penalty for student withdrawal from the program. A legislative change would probably be necessary to add a monetary payback for the recoupment of educational expenses (tuition, fees, books, and subsistence allowance) to be offered as an alternative to the current penalty of enlisted service. The payback could be gauged over a relatively long period of time at a low rate of interest.

I would appreciate receiving your comments by mid-June.

M. R. Rose

M. Richard Rose
Deputy Assistant Secretary
(Education)

APPENDIX B

DEPARTMENT OF NATIONAL DEFENCE

CANADA

MINISTÈRE DE LA DÉFENSE NATIONALE

4840-1 (D Edn)

National Defence Headquarters
Ottawa, Ontario
K1A 0K2
15 January 1974

Lieutenant-Colonel Robert D. Reese
Box 240
Air War College
Maxwell Air Force Base
Alabama 36112 U.S.A.

COMMISSIONING CANADIAN OFFICERS

References: A. CFAO 9-12 (attached)
B. Information Guide Canadian Forces Officer Entry and Education Plans (attached)

1. Reference is made to your letter of 19 Dec 73 in which you requested information regarding our commissioning programmes, their operation and their effectiveness in the retention of subsidized personnel.

2. Ref B, attached, gives a brief rundown on our entire commissioning programmes. As shown on the chart the first five plans, ROTP to DITP, are subsidized while OCTP to CFRP do not require academic subsidization. The remaining plans provide either post grad training for officers or provide university training for Reserve officers. The post grad training imposes an obligation on the serving officer, but as the Reserve candidate pays his way there is no obligation.

3. Of all candidates enrolled into officer training plans annually, about fifty percent are in subsidized academic programmes to bring them to baccalaureate degree level. Other than specialties such as Medical and Dental the majority under subsidization are in the Regular Officer Training Plan, ROTP. This plan intakes six-hundred and thirty candidates annually.

4. Voluntary release is accepted under paras 23 to 26 of Ref A. Para 23 allows release without obligation within the first year of training. This adjustment period of one year allows both the candidate and the Service to assess each other and part company gracefully should the situation warrant. After year one, voluntary release can be obtained by reimbursement to the Crown in funds or employment. The Medical and Dental subsidization plans allow for no period of adjustment and the Crown must be reimbursed in funds or employment should release be granted.

5. The first year loss for all reasons, academic, medical, military training failure and other is approximately thirty percent of the intake. From this point to graduation the loss is approximately fifteen percent, some of which pay their way out while the majority fall to academics.

6. Interesting to note is that only a very, very small number have tried to obtain release without meeting their obligations. (We suspect one out of the last 3,000 entrants!). We are pleased with our system. It serves our requirement and at minimal cost to the taxpayer. Most importantly, the individual sees the system as fair and honest - a most important first impression on entering a profession.

7. Included as an extra is an Information Kit provided by the Recruiting Units to interested personnel. Some or all of the information may be of value to you in your work.

J.P. Wills
Colonel
Director of Education

Attachments: Annex A - CFAO 9-12
Annex B - Information Guide Canadian Forces Officer Entry and Education Plans Information Kit

Terms of Service

19. Period of Service. Successful applicants are enrolled for an indefinite period of service. They will be enrolled with effect from the date of commencement of the academic year or the certified date of application, whichever is the later.

20. Voluntary Withdrawal from ROTP. An officer cadet who does not wish to continue his training under the ROTP may apply for transfer to full-time military service or he may request release.

Voluntary Transfer to Full-time Service

21. An officer cadet who applies for transfer to full-time service will be considered by NDHQ to determine if such a transfer is warranted. The NDHQ decision will be based not only on the officer cadet's situation but also on such factors as current Force requirements and training required. If a transfer is authorized NDHQ will advise:

a. whether the officer cadet is to be commissioned immediately or whether additional training is required before commissioning; and
b. whether the officer cadet is required to re-engage for a fixed period of service.

22. If a transfer to full-time service is not approved the officer cadet may request release.

Voluntary Release

23. An officer cadet who commenced academic training in either the preparatory or first year (see definition of "academic year" at para 2) at a CMC or university may apply for release between 15 Nov and the completion of his summer training period following his initial year of subsidization. Such a release may be approved without the officer cadet incurring a financial obligation under QR&O 15.18. The commandant of a CMC is the approving authority for such a release from 15 Nov to termination of the academic year.

24. An officer cadet to whom para 23 does not apply and who applies for voluntary release may only be released if he agrees to reimburse the Crown for expenses incurred by reason of his attendance at a CMC or university, as prescribed in QR&O 15.18.

25. Where, as a condition of release an officer cadet is required to reimburse the Crown in accordance with QR&O 15.18, he will be subject to the following repayment provisions:

a. An officer cadet who has entered his final year of study and is fully qualified to be employed as a commissioned officer shall repay the costs involved prior to release. If he is unable to repay the costs prior to release, he must serve his period of obligatory service as a commissioned officer.

Conditions de service

19. Période de service. Les candidats acceptés sont enrôlés pour une période de service indéfinie. L'enrôlement entre en vigueur à la date du début de l'année scolaire ou à la date officielle de la demande, selon la dernière des deux.

20. Retrait volontaire du Programme. L'élève-officier qui ne veut pas poursuivre sa formation dans le cadre du Programme peut demander à être versé au service militaire à plein temps ou à être libéré.

Service militaire à plein temps

21. Le QGDN étudie toutes les demandes d'élèves-officiers qui désirent être versés au service à plein temps afin d'établir si le changement est justifié. Le QGDN fonde sa décision, outre la situation de l'élève-officier, sur les facteurs comme les besoins actuels des Forces armées et la formation nécessaire. Lorsque le changement est accepté, le QGDN décide:

a. si l'élève-officier obtient immédiatement son brevet ou s'il doit suivre une formation plus poussée avant d'être breveté; et
b. si l'élève-officier doit se rengager pour une période déterminée de service.

22. Lorsque le changement au service à plein temps n'est pas accepté, l'élève-officier peut demander à être libéré.

Libération volontaire

23. L'élève-officier qui a commencé son instruction scolaire en année préparatoire ou en première année (voir la définition "d'année scolaire" au paragraphe 2) dans un CMC ou une université peut demander à être libéré entre le 15 novembre et la fin de l'instruction d'été qui suit la première année où il a reçu des subventions. Cette libération, lorsqu'elle est approuvée, est accordée sans les conditions financières prescrites à l'article 15.18 des ORFC. Le commandant d'un CMC constitue l'autorité approbatrice d'une telle libération entre le 15 novembre et la fin de l'année scolaire.

24. L'élève-officier qui n'est pas touché par le paragraphe 23 ne peut être libéré volontairement que s'il accepte de rembourser à la Couronne toutes les dépenses afférentes à son cours au CMC ou à l'université, conformément à l'article 15.18 des ORFC.

25. Le remboursement exigé de l'élève-officier, le cas échéant, aux termes de l'article 15.18 des ORFC, doit être fait conformément aux dispositions suivantes:

a. l'élève-officier qui est inscrit en dernière année et qui possède toutes les qualifications pour un poste d'officier breveté remboursera, avant d'être libéré, tous les frais subis. S'il ne peut rembourser les frais avant la libération, il devra accomplir son service obligatoire à titre d'officier breveté;

b. An officer cadet who cannot qualify for commissioning may be allowed to repay the costs subsequent to his release. In such case his pay account and pension contributions will be credited to his debt to the Crown and he must sign a statement of understanding and a promissory note, obligating him to pay the balance and accrued interest at the rate of 5% per annum over a prescribed period. Such balance may be repaid over a period of up to a maximum of six years, calculated on the basis of two years for each year of subsidization, and may be in monthly or yearly instalments or in one lump sum at the end of the prescribed period.

26. Employment as an Officer Cadet. An officer cadet to whom para 23 does not apply and who voluntarily withdraws from ROTP academic training and does not wish to serve as a commissioned officer or request to be released may be ordered to full-time service as an officer cadet under the following conditions:

a. he will continue to receive rates of pay under QR&O 203.20(4)(a)(i);
b. he will be employed in administrative duties;
c. he will serve a period of obligatory service calculated by dividing his financial obligations, as prescribed in QR&O 15.18, by $10.00 to determine the number of days service required – this period of service will not exceed three years from the date of withdrawal from academic studies exclusive of any period where leave without pay has been granted subsequent to that date; and
d. he may apply for release anytime during his period of obligatory service provided he reimburses the Crown the balance of his financial obligations prior to release or he may be allowed to repay the balance of his financial obligations subsequent to release in accordance with para 25b.

27. Obligatory Service. Except as prescribed in para 23, an officer cadet shall, subject to the provisions of QR&O 15.18, incur an obligation to serve as a commissioned officer for a period of five years if he is in an aircrew classification and four years if he is in a non-aircrew classification. Thus:

a. an ROTP graduate will, upon graduation, be subject to the provisions of QR&O 15.18 for four or five years as applicable; and
b. an officer cadet who transfers to full-time service in accordance with paras 20 and 21 will, upon commissioning, be subject to the provisions of QR&O 15.18 for four or five years as applicable.

28. Rank and Promotion.

a. A candidate will be enrolled as an officer cadet and remain in that rank until he is commissioned on completion of his academic training.
b. Promotion will be in accordance with the policy stated in CFAO 11-6.

b. l'élève-officier qui ne peut obtenir son brevet d'officier peut rembourser les frais après sa libération. Dans ce cas, on portera sa solde et ses contributions aux fins de la pension, au crédit de sa dette envers la Couronne. Il devra signer en outre une déclaration de reconnaissance de dette ainsi qu'un billet promissoire qui l'obligent à rembourser le solde et l'intérêt couru au taux de 5% par année pendant la période prescrite. Le solde peut être remboursé sur une période d'au plus six ans, à raison de deux ans pour chaque année subventionnée par versements mensuels ou annuels ou en un versement global à la fin de la période prescrite.

26. Emploi d'un élève-officier. L'élève-officier qui n'est pas touché par le paragraphe 23 et qui se retire volontairement du Programme et ne désire pas servir comme officier breveté ou demande à être libéré peut être obligé de servir à temps plein comme élève-officier aux conditions suivantes:

a. il continuera de recevoir sa solde conformément au sous-alinéa (4)(a)(i) de l'ORFC 203.20;
b. il sera affecté à des tâches administratives;
c. il accomplira une période de service obligatoire établie en divisant par $10 ses obligations financières prescrites à l'article 15.18 des ORFC afin de déterminer le nombre de jours de service requis; la période ne doit pas excéder trois ans à partir de la date de l'abandon des études mais sans tenir compte de toute période de congé sans solde accordé après cette date; et
d. il peut demander à être libéré n'importe quand durant sa période de service obligatoire pourvu qu'auparavant il ait remboursé à la Couronne toutes ses obligations financières; il peut également acquitter le solde de ses obligations après sa libération conformément à l'alinéa 25.b.

27. Service obligatoire. Sauf les dispositions du paragraphe 23, l'élève-officier doit, sous réserve des dispositions de l'article 15.18 des ORFC, servir à titre d'officier pendant cinq ans s'il est dans une catégorie de personnel navigant et quatre ans s'il est dans une autre catégorie. Ainsi,

a. le diplômé du Programme est assujetti, à la remise du diplôme, aux dispositions de l'article 15.18 des ORFC pendant quatre ou cinq ans, selon le cas; et
b. l'élève-officier qui est versé au service à plein temps en conformité des paragraphes 20 et 21 est assujetti, après la nomination au rang d'officier, aux dispositions de l'article 15.18 des ORFC pendant quatre ou cinq ans, selon le cas.

28. Grade et promotion.

a. Le candidat est enrôlé comme élève-officier et reste à ce grade jusqu'à ce qu'il obtienne son brevet à la fin de ses études.
b. Pour les promotions, on applique la politique indiquée dans l'OAFC 11-6.

APPENDIX C

MINISTRY OF DEFENCE
Adastral House Theobald's Road London WC1X 8RU

Telephone 01-405 3434 ext 7277

Group Captain A B Stinchcombe RAF
Department of the Air Force
Air War College (AU)
Maxwell Air Force Base
Alabama 36112

Your reference

Our reference AF/12040/67/R1(RAF)

Date 30 November 1973

Dear Group Captain,

COMMISSIONED SERVICE IN THE ROYAL AIR FORCE

I have been asked to provide the information asked for in your letter of 27 September 1973 to Wing Commander Kinder.

As you will know, the AFB decided in the late 1960's to dispense with the Cranwell Flight Cadet Scheme in favour of the Graduate Entry Scheme (GES). This latter covers entry into the five main branches (GD, Engineer, Supply, Secretarial and RAF Regiment) only, although graduates are obviously not precluded from other branches. The balance of the officer requirement is made up from Direct Entrant non-graduates.

Graduate entrants are commissioned before entry into formal officer training while non-graduates enter under airman terms of service; failure by members of either group to successfully complete officer training automatically leads to release from the Service. Failure in subsequent professional training could mean release from the Service or transfer to another branch; each case is considered in the light of the individual's qualities and the branch vacancies available.

I enclose some pamphlets which may perhaps answer some more detailed questions. The specific question in the last sentence of your letter, however, warrants a more detailed statement than is provided in the pamphlets. Let me first explain that the GES comprises Directly Commissioned Graduates whose tertiary education has cost the Service nothing and ex-University Cadets whose university education has been sponsored by the Service for possibly 3 or 4 years. The University Cadet system roughly equates, I suppose, to the ROTC programme so I will concentrate my remarks on that; I will also endeavour to relate it to the former Flight Cadet system.

The AFB decision to award University Cadetships meant that the 18 or 19 year old school leaver who wished to make his career in the RAF and who previously had been trained and disciplined for 3 years in a Service establishment was now exposed to the influences (for good and ill!) of university life with only a loose attachment to the Service by way of membership of a university air squadron, visits to stations, and periodic camps.

The RAF College cadet was not commissioned; he engaged to serve for a fixed number of years. If he wished to leave before the end of his course he was required to purchase his discharge. If he completed his course he was commissioned.

His successor, the University Cadet, is granted a commission at the outset. His tuition fees at university are paid for; he also receives an education grant and a small salary. His financial situation is thus much better than that of most of his non-Service contemporaries at university who exist on less generous grants for maintenance provided by local education authorities on a scale varying with parental income.

The University Cadet also emerges at the end of his course with a marketable qualification in the form of a degree of his own choice. The counter attractions of commercial life for the RAF university graduate are such that it was thought necessary to require a successful candidate for a cadetship to give an undertaking to refund the RAF's costs (tuition fees and education grant) if he failed to qualify for a degree through lack of diligence, or having qualified, failed to give a minimum of a further 5 years service. The main purpose in instituting such an undertaking was to deter applicants who were attracted to the RAF cadetship scheme solely by the advantage of a financially easy passage through university. But with such an undertaking in being and with an assurance from the legal authorities that it can be the basis of legal action if a former cadet fails to pay us in a lump sum or refuses to conclude an arrangement covering payments by instalments, the undertaking must be invoked in appropriate cases if it is to maintain its deterrent effect on those who might be considering resignation from the Services.

In the last 3 years, several cadets have left. In a few instances, resignations were tendered within a few weeks of joining the Service when cadets first assembled for a short indoctrination course before going to university: they were allowed to go without fuss or difficulty. Those who decided at a later stage that they no longer wished to follow a career in the RAF were asked to refund the sums calculated to be the RAF's costs. Few could meet the bill outright: in their cases agreements to repay by instalments were drawn up and signed. Those who decided after graduation and during Service training that they wished to leave were similarly treated. In all cases any pleas of hardship made by the ex-cadet, or any special reasons he advanced why he should not pay the sum demanded, were carefully considered. The facts that he had no ready money or no expectation of earnings in the next year or so were not sufficient grounds for waiving or abating the debt. An application to resign from an officer who had completed his cadetship and successfully passed his further service training (eg as a pilot) would not be granted while he continued to be satisfactory and "productive".

The RAF's University Cadetship scheme has operated in expanded form for 3 years. It would not be easy to assess whether the use of financial penalty has deterred poorly motivated young men from applying for cadetships in the first place: it has certainly not prevented officers who felt strongly enough about leaving the RAF from applying to go. But that is no bad thing. We would not wish to retain officers who were untrained and misfits, and it is as much for the good of the RAF, as themselves, that they leave. The repayment, both in amounts and by instalments, should not, therefore, be so large or burdensome as to make it impossible for an ex-cadet to undertake.

Of the cadets or former cadets who have left the RAF at their own request in the past 3 years:

8 repaid in a lump sum;

12 agreed to payment by instalments;

8 have not concluded agreements to pay: negotiations are proceeding;

3 had their debts waived.

I hope the foregoing is of some value but should there be any supplementary questions please let me know. I am copying this letter, less enclosures, to Eric Kinder.

Yours Sincerely

John Fowler

APPENDIX D

COMMONWEALTH OF AUSTRALIA

TELEPHONE: 65 9111

TELEGRAPHIC ADDRESS:
"AIRFORCE CANBERRA"

IN REPLY QUOTE 660/1/199

DEPARTMENT OF AIR
RUSSELL OFFICES
CANBERRA, ACT 2600

19 NOV 1973

Lt Col Robert D. Reese,
Box 240,
Air War College,
MAXWELL AFB ALABAMA 36112 USA

Dear Sir,

I refer to your letter to Squadron Leader R. Hale, dated 27th September 1973, concerning officer training programs within the Royal Australian Air Force.

The Royal Australian Air Force has three officer training schemes which appear to equate with the United States Air Force Reserve Officers Training Corps. These schemes are known as the University and Technical College Undergraduate Scheme, the Diploma Cadet Squadron and the Civil Schooling Scheme. These schemes are discussed separately in the following paragraphs.

University and Technical College Undergraduate Scheme

This scheme caters for students who require sponsorship for three years or less to complete a degree in the faculties of medicine, dental science, engineering or science. Final year engineering diploma students are also eligible for sponsorship.

On entry into the Service, students are granted a temporary commission (i.e. while under training, they are not eligible for promotion, nor do they accrue seniority in rank) with the rank of pilot officer (student). All students formally agree to give a productive return of service equivalent to the number of years of sponsored training plus one year, up to a maximum of five years. Rates of pay are the same as those paid to cadets at the Royal Australian Air Force Academy.

Medical and dental graduates are appointed to a short service commission, for an initial engagement of four years, with the rank of flight lieutenant. Engineering and science graduates are appointed to a permanent commission with the rank of flying officer.

An officer may submit an application for resignation at any time during his service. However, where a return of service obligation exists, the application is normally rejected. In cases where an application for resignation is accepted, despite a return of service obligation, officers who have received training under the provisions of this scheme may be required to repay the total training expense incurred by the Royal Australian Air

Force, less an amount calculated on the basis of the period (if any) of productive service given.

Diploma Cadet Squadron

The Diploma Cadet Squadron was formed to produce diploma qualified officers in the engineering and business management fields. Students complete a three or four year course at an approved institute of technology and, on graduation, each student is appointed to a permanent commission with the rank of pilot officer.

On enlistment, cadets agree to serve for a period of up to five years as a cadet, followed by a period of service as an officer. Cadets who request discharge, or refuse to accept appointment to a commission on graduation, may be required to meet a bond payment equal to $300 for each year of training as a pre-condition for discharge.

Following graduation, officers are required to complete a period of service equal to one year for each year of training, plus one year, with a maximum obligation of five years. Resignations are not normally accepted until the return of service obligation is completed.

Civil Schooling Scheme

Under the civil schooling scheme, selected airmen are sponsored for full-time, part-time or own-time study at approved civilian tertiary institutions. Most students undertake engineering degrees or diplomas although other fields such as business studies, accountancy, radiography and medical laboratory technology are available. Students are appointed to commission on graduation and are required to render the same return of service as graduates from the other schemes.

An airman retains his rank during the years of study but is granted the status of cadet. Approval for sponsored study is granted on an annual basis and each airman must re-engage for a period sufficient to cover the remaining years of study plus the anticipated return of service obligation. Failure to complete the course normally results in loss of cadet status and a return to airman duty for the remainder of the engagement.

These three schemes provide the major portion of our requirement for tertiary qualified officers. The undergraduate scheme has a failure rate of less than 1% and nearly all graduates complete at least the required return of service. The civil schooling scheme also has a high success rate, estimated at 85%, and most graduates remain with the Service for extended periods. The diploma cadet squadron has a fairly low success record, with something less than 50% of all students graduating. This rate is attributed mainly to immaturity, vocational confusion and inability to adopt adequate tertiary study habits. However, the scheme still provides a significant proportion of the annual requirement for tertiary qualified officers.

The concept of imposing penalties for non completion of sponsored training is rapidly disappearing in Australia. Few private organisations impose conditions on sponsored students and an increasing number of public bodies are doing away with bonding provisions. Within the Royal Australian Air Force, financial bonding appears to be a recruiting obstruction and is of little value as a deterrent.

As the Service is in direct competition with all other sponsoring organisations for the available manpower resources, considerable thought is being given to the introduction of sponsored training, free of conditions. The success of such a scheme rests on the validity of the assumption that, for every Service sponsored graduate lost, a graduate from some other source will be gained directly through the officer recruiting system.

In summary, these three schemes provide almost all of our doctors and dentists, the great majority of our tertiary qualified engineers and a proportion of our education officers. The undergraduate scheme and the civil schooling scheme are most effective and the diploma scheme is satisfactory.

It is almost impossible to gauge the effectiveness of penalties which aim to deter students from gaining a free tertiary education. However, at the other end of the scale, it is becoming obvious that these penalties deter many promising applicants from accepting Service sponsorship. For this reason, the tendency is to relax these penalties and, hopefully, to move eventually to penalty free training schemes.

I hope this information is of value to you in the completion of your project. May I take this opportunity to wish you every success.

Yours faithfully,

F. J. Green

(F. J. GREEN)
Secretary

NOTES ON CHAPTER I

1. "ROTC Policies," Letter of Assistant Secretary of Defense for Manpower and Reserve Affairs to ROTC Managers, Washington DC, 18 May 1973. (Letter included as Appendix A.)

NOTES ON CHAPTER II

1. "An Act Donating Public Lands to the Several States and Territories Which May Provide Colleges for the Benefit of Agriculture and the Mechanic Arts," Chapter 130, United States Statutes at Large, 37th Congress, 2nd Session, July 2, 1862, pp. 504.

2. "An Act for Making Further and More Effective Provision for the National Defense, and for Other Purposes," Public Law No. 85, Chapter 134, United States Statutes at Large, 64th Congress, 1st Session, June 3, 1916, pp. 193.

3. "An Act to Provide for the Training of Officers for the Naval Service and for Other Purposes," Public Law 729: 60 Stat 962, United States Statutes at Large, 79th Congress, 2nd Session, August 13, 1946, pp. 1058.

4. "Reserve Officers' Training Corps Vitalization Act of 1964," Public Law 88-647: 78 Stat 1063, United States Code, Congressional and Administrative News, 88th Congress, 2nd Session, October 13, 1964, Legislative History, pp. 3948.

5. Ibid., p. 3947.

6. "Reserve Officers' Training Corps Vitalization Act of 1964," Public Law 88-647: 78 Stat 1063, United States Code, Congressional and Administrative News, 88th Congress, 2nd Session, October 13, 1964, pp. 1206-1220.

7. "Armed Forces - ROTC Scholarships," Public Law 92-166; 85 Stat 487, United States Code Congressional and Administrative News, 92nd Congress, 1st Session, November 23, 1971, pp. 532-533.

8. "Armed Forces - Senior ROTC - Subsistence Allowances," Public Law 92-171; 85 Stat 490, United States Code, Congressional and Administrative News, 92nd Congress, 1st Session, November 24, 1971, pp. 536-537.

9. "Policies Relating to Senior Reserve Officers' Training Corps (ROTC) Programs," DOD Directive Number 1215.8, June 19, 1971.

10. Administration of Senior Air Force ROTC Cadets, AFROTC Manual 45-1, Air Force Reserve Officers Training Corps, Air University, 1 April 1973.

NOTES ON CHAPTER III

1. Average yearly cost to the Air Force scholarship student in 1973 is $2200.00. Includes tuition - $1092.00; books and fees - $104.00; and $100.00 per month for approximately 300 days per year. AFROTC Scholarship Division.

2. Enlistment and Discharge of AFROTC Cadets, Air Force Regulation 45-14, Department of the Air Force, 11 October 1972.

3. Statement of Understanding (United States Air Force Reserve), AF Form 22, September 1972.

4. "ROTC Dropouts Face Involuntary Service," Air Force Times, November 1, 1972, p. 8.

5. Administration of Senior Air Force ROTC Cadets, Air Force ROTC Manual 45-1, Air University, Air Force Reserve Officer Training Corps, 1 April 1973, p. 8-2.

NOTES ON CHAPTER IV

1. "Commissioning Canadian Officers," Letter of Director of Education, Department of National Defence, Ottawa, Ontario, to the author, 15 January 1974. (Letter included as Appendix B.) Hereafter referred to as Canadian Plan.

2. "Commissioned Service in the Royal Air Force," Letter from Wing Commander J. Fowler, RAF, Ministry of Defence, London, England, to Group Captain A. B. Stinchcombe, RAF, Air War College Advisor, 30 November 1973. (Letter included as Appendix C.) Hereafter referred to as British Plan.

3. "Officer Training within the Royal Australian Air Force," Letter from the Secretary, Department of Air, Commonwealth of Australia, Canberra, to the author, 19 November 1973. (Letter included as Appendix D.) Hereafter referred to as Australian Plan.

4. British Plan, op. cit.

5. Canadian Plan, op. cit.

6. Australian Plan, op. cit.

NOTES ON CHAPTER V

1. Lieutenant W. E. Albrecht, "Recovery of Government-Funded Education Expenses from Naval Officers Who Request Discharge by Reason of Conscientious Objection," The JAG Journal, Vol 26, Spring 1972, pp. 157-169.

2. Ibid., p. 166.

3. Ibid.

4. Letter to Major General J. S. Cheney, Air Force Judge Advocate General, from United States Solicitor General E. N. Griswold, 22 March 1973.

5. 348 Federal Supplement, McCullough vs Seamans, 511, 1972, pp. 511-514.

6. Griswold letter, op. cit.

7. Air Force Health Professions Scholarship Program, Air Force Regulation 36-17, Department of the Air Force, 12 February 1973.

8. Ibid.

NOTES ON CHAPTER VI

1. "Senate Appropriations Committee Questions (Update of Question #4)," AFROTC Cadet Personnel Division, Directorate of Senior Programs, Air University, Maxwell AFB, Alabama, 9 July 1973.

2. Ibid.

3. "ROTC, Dropouts Face Involuntary Service," Air Force Times, November 1, 1972, p. 8.

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